

Congress of the United States
Washington, DC 20515

September 22, 2016

Adam J. Szubin
Acting Under Secretary for Terrorism and Financial Intelligence
Office of Foreign Assets Control (OFAC)
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Mr. Szubin:

We are writing to express our grave concern regarding the Office of Foreign Assets Control's (OFAC) recent decision to issue the Boeing Company and Airbus SAS U.S. licenses to sell commercial aircraft to Iran Air, including authorization for U.S. financing of those sales. Iran Air, previously designated on the Specially Designated Nationals (SDN) list by OFAC for providing material and financial support to Iran's Islamic Revolutionary Guard Corps (IRGC), continues to support Iranian military and terrorist activities around the world.

In recent correspondence to Members of Congress, Treasury officials did not deny that Iran Air continues its illicit activity.ⁱ There is little evidence indicating that Iran Air has indeed stopped transporting weapons, troops, and cash to terrorist groups and rogue regimes. On the contrary, Iran's recent use of commercial aircraft for military purposes is well documented.ⁱⁱ

Both Republican and Democratic Members of Congress have expressed concerns regarding the sale of militarily-fungible aircraft to Iran, the world's leading state sponsor of terrorism. In fact, the House recently overwhelmingly passed bipartisan legislation preventing such a sale and prohibiting U.S. financing.

In light of yesterday's announcements, we request answers to the following questions in order to assist Congress in determining the national security implications of a potential delivery of aircraft to Iran:

1. Has Iran Air previously used Boeing or Airbus aircraft to logistically or materially support Foreign Terrorist Organizations (FTOs), the IRGC, MODAFL, or the Assad Regime in Syria? Are commercial airlines in Iran, including Iran Air, currently using commercial aircraft to logistically or materially support any FTOs, the IRGC, or the Assad Regime in Syria?

2. Does Iran Air's current executive leadership consist of any individuals who oversaw Iran Air during the period it was designated on the SDN list? If so, please identify these individuals.
3. Can OFAC ensure that any planes or related parts sold to recently de-listed entities such as Iran Air will not be transferred to entities which are currently on the SDN list, such as Mahan Air? If OFAC can make such a guarantee, how will it monitor Iran Air's compliance?
4. Could American citizens' deposits and investments in U.S. financial institutions potentially be used to provide Iran with financing under the terms of OFAC's aircraft licenses?
5. In a letter to Senator Marco Rubio on July 7, 2016, Treasury's Senior Advisor for Legislative Affairs, Thomas Maloney, wrote: "The administration has not been and is not planning to grant Iran access to the U.S. financial system [...] To be clear, until Iran has addressed other concerns we have with its behavior outside of the nuclear file, the U.S. financial system (including the branches of U.S. financial institutions abroad) will remain off limits to Iran and U.S. persons will not be able to provide financial services or products to Iran without explicit authorization."
- Does OFAC's authorization of U.S. financing for aircraft indicate that Treasury has now concluded that Iran's behavior "outside of the nuclear file" has improved? If this is not the case, how does OFAC's authorization of U.S. financing accord with Treasury's written assurances to Congress?
6. Was the Treasury Department obligated by the terms of the Joint Comprehensive Plan of Action to authorize U.S. financing of aircraft sales to Iran?

Selling militarily-fungible aircraft to Iran poses numerous national security risks, and answers to the above questions will serve a critical use as lawmakers review these potential transactions.

We ask that you provide a response by October 14. We look forward to working with your office closely on this issue.

Sincerely,



PETER J. ROSKAM
Member of Congress



JEB HENSARLING
Member of Congress

ⁱ Maloney, Thomas Patrick. Letter to Rep. Lee Zeldin regarding Iran Air. September 21, 2016

ⁱⁱ Bucala, Paul. *Iran's Airbridge to Syria*. Washington D.C: AEI, 2016. Accessed September, 21 2016 <https://www.aei.org/publication/irans-airbridge-to-syria/>; Emanuele Ottolenghi, *Iran Air participates in Syrian airlift, but Obama does nothing* Washington D.C: FDD. 2016 Accessed September 21, 2016 <http://www.defenddemocracy.org/media-hit/emanuele-ottolenghi-iran-air-participates-in-syrian-airlift-but-obama-does-nothing/>